To: Frank Zaski[frankzas@aol.com]
From: Laszewski, Virginia
Sent: Thur 4/9/2015 9:57:05 PM
Subject: RE: More reasons the Rover pipeline is not needed, DOE, EPA and EIA

Good Afternoon Mr. Zaski,

Thank you for your April 8, 2015 9:48 PM email regarding the proposed multistate Rover Pipeline Project [Federal Energy Regulatory Commission (FERC) Docket # CP15-93-000, PF14-14-000]. Your email identifies concerns you have regarding environmental damage, adverse impacts on landowners and on existing pipelines and their customers, and need for the Rover Pipeline Project.

FERC is the lead federal agency responsible for preparing the Environmental Impact Statement (EIS) for this natural gas pipeline project. FERC develops the purpose and need for their EIS. We recommend you submit your comments directly to FERC for their consideration.

EPA agreed to be a cooperating agency during the FERC EIS process for this project. EPA has submitted scoping comments to FERC. EPA will also independently review and comment on FERC's Draft EIS and Final EIS under our NEPA and Section 309 Clean Air Act authorities.

IF you have questions or would like to further discuss EPA's role in FERC's EIS process for this project, you may call me at 312-886-7501.

Virginia Laszewski

USEPA, Region 5

NEPA Implementation Section

312/886-7501

From: Frank Zaski [mailto:frankzas@aol.com]
Sent: Wednesday, April 08, 2015 9:48 PM
To: Laszewski, Virginia
Subject: More reasons the Rover pipeline is not needed, DOE, EPA and EIA

Virginia, more information posted to FERC for your information. frank

Rover has not offered compelling reasons to build this pipeline. A dated US production forecast, the desires of shippers and general industry trends are inadequate reasons to justify Rover and its environmental damage, adverse impacts on landowners and on existing pipelines and their customers. Other pipelines can handle the need.

Analysis of RECENT DOE, EPA and EIA studies suggest few new pipelines are needed, and probably not Rover.

A DOE study finds the average natural gas pipeline utilization between 1998 and 2013 was ONLY 54%.

DOE finds the US needs only "relatively modest interstate pipeline capacity additions (2.2–2.7 Bcf/d annually between 2015 and 2020). This is roughly the capacity of one pipeline added each year.

DOE states why so little new pipeline capacity is needed: gas demand and production is broadly distributed around the country, pipelines will find ways to use underused transportation capacity, reroute gas flows and expand existing capacity.

These "are potentially lower-cost alternatives to building new infrastructure and can accommodate a significant increase in natural gas flows."

http://energy.gov/sites/prod/files/2015/02/f19/DOE%20Report%20Natural%20Gas%20Infrastructure%20V_02-02.pdf

Has FERC analyzed if better use of existing pipelines would negate the need for Rover? This is particularly important considering the tepid gas demand growth forecast for the US, Michigan and Canada and probably failure of most LNG export plans.

Few new pipelines are needed to meet the proposed Clean Power Plan. The EPA expects the proposed "Plan to increase natural gas use for electric generation by 1.2 Tcf in 2020, declining over time." http://www2.epa.gov/sites/production/files/2014-06/documents/20140602ria-clean-

power-plan.pdf

The addition of 1.2 Tcf is only a 4% increase in total amount of gas used for all purposes and only a 15% increase in the total amount of natural gas used for electric generation.
http://www.eia.gov/dnav/ng/ng_sum_lsum_dcu_nus_a.htm

Marcellus Specific The AEO 2015 Early Release forecasts that Marcellus gas production will remain relatively FLAT from 2015 thru 2030.

http://www.eia.gov/forecasts/aeo/workinggroup/oil-naturalgas/pdf/oilandnatgas_presentation_91614.pdf

The DOE report finds an estimated 8.4 Bcf/d of additional pipeline capacity will be needed between 2015 and 2030 to integrate Marcellus production with regional markets and interstate pipelines.

ROVER: "The availability of increased quantities of shale gas is predicted to continue for the next 100 plus years."

COMMENTS: The 100 year forecast is based on the highly optimistic assessment made by the gas industry itself. The Potential Gas Committee says the US has a Future Supply of 2,688 Tcf of natural gas. This includes their highly iffy categories of "possible" (952 Tcf) and "speculative" (559 Tcf).

http://potentialgas.org/download/pgc-press-release-april-2013.pdf

US energy plans should not be based on "possible" and "speculative" forecasts made by the industry that would benefit from a high forecast. Removing these iffy categories from the assessment and dividing it by actual 2014 gross withdrawals yields only a 37 YEAR SUPPLY of US natural gas. (1177 Tcf / 32 Tcf = 37 years)

British Petroleum reports the US has only 13.6 years supply of natural gas.

http://www.bp.com/content/dam/bp/pdf/Energy-economics/statistical-review-2014/BP-statistical-

review-of-world-energy-2014-full-report.pdf

Forbes writes, "America's shale gas resources and reserves have been grossly exaggerated" and calculates only a 19-year supply.

http://www.forbes.com/sites/billpowers/2014/09/03/the-popping-of-the-shale-gas-bubble/

Calculations using a recent EIA report results in only an 18 year supply in the Appalachian basin. http://www.eia.gov/naturalgas/crudeoilreserves/?src=Petroleum-f6

Marcellus/Utica shippers report they find more reserves every year. However, these reports are often associated with attempts to enhance the value of their stocks, junk bonds and credit ratings.

ROVER: "The Rover Pipeline Project originated as a result of discussions with producers who have active production and processing capacity as well as significant volumes of stranded gas in the Marcellus and Utica Shale areas …, and who desire to move their production to markets .. The Project is a producer-driven pipeline project .."

COMMENTS: Pipeline decisions should be based on "DEMAND DRIVEN" reasons because of their major environmental, landowner, resource depletion and national security impacts. "PRODUCER DRIVEN" projects are often designed to achieve high profits from speculation of excessive US consumption and export.

"STRANDED GAS" results from poor planning, zealous speculation and over production in an attempt to maximize shipper's profits. Other industries plan more prudently and adjust their production to meet final customer needs. Kellogg has never reported that they have "stranded Corn Flakes" and need US government eminent domain clout to provide greater access to markets in Canada, Mexico and overseas.

NATIONAL ENERGY SECURITY The US has only so much natural gas and the quicker we use and export it, the sooner it will be gone. It appears many applications before FERC are based on private companies speculating on excessive pipelines to Canada and Mexico and applications of from 38 to 57 new and expanded LNG export facilities.

Think of US natural gas reserves as a family trust fund planned to last 100 years. However, by overestimating its wealth and by reckless spending, the fund lasts only 14 to 37 years, and future generations are deprived of its benefits because of mismanagement.

FERC is the manager of the US natural gas trust fund. By not verifying its size and allowing reckless withdrawals, future generations will be without gas. This is totally against your mandate and long term US needs. *In just a few decades, will the US public regret the pipeline decisions FERC makes today?*

Plus, the frackers and pipeline companies are speculating on big LNG exports (and profits) by exporting Marcellus/Utica frack gas from the East Coast, Gulf and Canada.

However, Moody's says low LNG prices will result in the cancellation of the vast majority of the nearly 30 liquefaction projects currently proposed in the US, 18 in western Canada, and four in eastern Canada. https://www.moodys.com/research/Moodys-Liquefied-natural-gas-projects-nixed-amid-lower-oil-prices--PR_322439?WT.mc_id=AM~WWFob29fRmluYW5jZTQyX1NCX1JhdGluZyBOZXdzX0FsbF9Fbmc%3D~20150

Frank Zaski

Franklin, Michigan

248 855 5018

frankzas@aol.com

Former work group member of the Michigan 21st Century Energy Plan, Michigan Climate Action Commission and Midwest Governors Association Renewable Energy Advisory Group